

Advocates for a NC Prescription Drug Assistance Program (13 February 2009)

On-going challenge: both NCRx and CheckMeds NC have been funded with grants from the NC HWTF; thus, there are no reliable and recurring state funds.

We have two major requests:

- ✓ **Sustain our State Pharmacy Assistance Program (SPAP) – NCRx**
- ✓ **Continue the statewide medication therapy management program – CheckMeds NC**

NCRx

While the uptake in this program has been relatively slow and small (5,325 enrollees), it is a valuable program. The uptake problems have been primarily related to the restrictive eligibility criteria (175% FPL and the low assets test) and the limited program benefit (up to \$29/month in premium assistance), which is one – if not *the* smallest SPAP – in the US.

Medicare beneficiaries with fixed, limited incomes need this assistance for several reasons.

1. It reduces the barrier of having to pay a monthly premium to participate in Medicare's drug benefit. In essence, NCRx creates a "no excuses" situation for folks just above the full LIS (low income subsidy) who would otherwise struggle to enroll in Medicare-approved drug plans. It also helps these beneficiaries avoid "late" penalties that they are assessed if participation is delayed. Without NCRx's premium assistance, many current enrollees will likely drop Part D coverage and thus, go without critically important medications.
2. Enrollment in a SPAP creates a SEP (special enrollment period) so these individuals can get into a Part D plan or switch plans once a year – outside of the annual election period. This is a tremendous "tool" for ensuring Medicare beneficiaries obtain or maintain good drug coverage throughout the year, especially if their medication needs change.

Recommendations for improvements:

- ***Allow younger Medicare beneficiaries to also join NCRx.*** We believe that even with intense outreach, this expansion would likely only add 2,000 to 3,000 new enrollees. If need be, the State could cap enrollment in order to predict and control costs.
- In order to decrease the administrative burden, simplify NCRx, and make the benefit more appealing - ***increase the program's premium benefit cap to \$35/month.*** Currently the \$29/month only covers the entire premium for 4 PDPs (prescription drug plans) in NC; at \$35/month - there would be 18 plans with \$0 premium plans. This would greatly decrease the confusion for participants and reduce the administrative burden for the NCRx staff members, who serve as the middle wo/men between the PDPs and the enrollees who owe small premium amounts. Even if the current 5,325 enrollees all received the maximum premium assistance of \$35, this \$6/month expansion would cost less than \$400,000/year.
- ***NCRx should recognize the new federal poverty guidelines*** so that the benefit is available to individuals who have incomes at or below 175% FPL, who are not eligible for the full LIS.

CheckMeds NC

Continue CheckMeds NC with the current, revised parameters (only for Medicare D beneficiaries with a focus on complete medication reviews). Avoid paying for services that are a part of "usual and customary" pharmacy services. CheckMeds NC currently costs about \$1M per year. This investment likely saves \$1M per year *and more* considering "cost avoidance" projections and because of State savings from Medicaid and Special Assistance funds (for nursing home and adult care home placements). *If* the program investment must be cut, we recommend tying CheckMeds to NCRx and LIS eligibility to help the most vulnerable and to provide "added value" to NCRx and LIS enrollment.